

AA6/vm1 6/30/2016



FILED
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BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of Application of Volcano
Telephone Company (U1019C) to Review
Intrastate Rates and Charges, Establish a
New Intrastate Revenue Requirement and
Rate Design, and Modify Selected Rates.

Application 15-12-002
(Filed December 1, 2015)

**E-MAIL RULING DIRECTING THE PARTIES TO PROVIDE ADDITIONAL
INFORMATION IN SUPPORT OF THE JUNE 23, 2016 ALL-PARTY
SETTLEMENT AGREEMENT WITHIN 15 DAYS**

Dated June 30, 2016, at San Francisco, California.

/s/ ADENIYI A. AYOADE

Adeniyi A. Ayoade
Administrative Law Judge

From: Ayoade, Adeniyi A.

Sent: Thursday, June 30, 2016 1:07 PM

To: Foss, Travis; Patrick Rosvall; Sarah Banola; Ungson, Chris; Salo, Christa; Rauschmeier, Richard; Ayoade, Adeniyi A.; Chitadje, Charlotte; Naylor, Cody; Robles, Felix V.; Amato, Michael C.; Coen, Michael; Maniscalco, Richard; Rahman, Sazedur; Feizi, Kevin; Ann Ten Eyck; Mark Schreiber; Patrick Rosvall; Sarah Banola

Cc: ALJ_Support ID; ALJ Process; ALJ Docket Office; Wong, Lester

Subject: A.15-12-002 - EMAIL RULING DIRECTING THE PARTIES TO PROVIDE ADDITIONAL INFORMATION IN SUPPORT OF THE JUNE 23, 2016 ALL-PARTY SETTLEMENT AGREEMENT WITHIN 15 DAYS.

A.15-12-002 - EMAIL RULING DIRECTING THE PARTIES TO PROVIDE
ADDITIONAL INFORMATION IN SUPPORT OF THE JUNE 23, 2016 ALL-
PARTY SETTLEMENT AGREEMENT.

TO ALL PARTIES

On June 23, 2016, Volcano Telephone Company or "Volcano", and the Office of Ratepayer Advocates or "ORA" (the parties) submitted an All-Party Settlement Agreement to the Commission, together with a Joint Motion of the parties for the adoption of the Settlement Agreement. A review of the submitted document reveals that additional information is required in order to fully evaluate the Settlement Agreement and determine if it should be approved by the Commission pursuant to Article 12.1 of the Commission's Rules of Practice and Procedure.

Accordingly, within 15 days of the receipt of this ruling, the parties shall provide the following information:

1. Clarification and/or explanation regarding the formula used in the Settlement Agreement for Volcano's Revenue requirement (**Page 3, item #b)**), including:
 - a. A description of each value/figure contained in the formula; and

- b. A description what each value/figure used represents, and how each value/figure is derived.
2. Specific and comparative information regarding the actual figures proposed by Volcano, ORA and those adopted in the Settlement Agreement as follows:

3. Rate Case Item	Volcano's Proposed Amount	ORA's 's Proposed Amount	Amount Adopted Per the Settlement Agreement
Operating Revenues			
Operating Expenses			
Operating Expenses			
Average Rate Base			
Rate of Return			

4. Section 1(c) of the Settlement Agreement (End user rates and rate design) provided that Volcano rate designs \$759,475 in Interstate Universal Service Fund support for intrastate revenue requirement.

Please provide additional terms for settlement addressing the contingency that the actual amount received for the Interstate Universal Service Fund support for intrastate revenue requirement differs from the proposed amount of \$759,475.

5. The Settlement Agreement appears to presume that the final decision in A.15-09-005 will be issued prior to January 1, 2017.

Please provide additional terms for settlement addressing the contingency a final decision is not issued in A.15-09-005 prior to January 1, 2017.

6. Provide or explain why the parties should not be required to file an **Amended "Separated Result of Operations Forecast"** for the Test Year 2017 based on the adopted total Revenue Requirement in the Settlement Agreement.

Therefore, **IT IS RULED**

THE DOCKET OFFICE SHALL FORMALLY FILE THIS RULING.

Thank you.

Sincerely,

A D E N I Y I A. A Y O A D E | ADMINISTRATIVE LAW JUDGE | **CPUC**



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